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TO RUEHC/SECSTATE WASHDC IMMEDIATE 2930

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STATE PLEASE PASS TO USTR L. MOLNAR; COMMERCE FOR S. SAVICH

E.O. 12958: N/A

TAGS: ETRD EINV KTIA OVIP OFDP PREL EUN BU
SUBJECT: GOB READY TO EXCHANGE BIT INSTRUMENTS DURING

DECEMBER 19 FM VISIT

REF: A. SECSTATE 192802

1B. SOFIA 1613

TC. E-MAIL KARAGIANNIS/NORDBERG/HOLLERAN - 07 DEC 06

- 11. (U) This is an action request. Please see para. 4.
- 12. (SBU) We delivered ref. A points and draft protocol to MFA's Emilena Popova, Director of the International Law Department, on December 7. Popova confirmed that the Additional Protocol to the Bilateral Investment Agreement (BIT) was ratified by Parliament and that all the steps in the domestic ratification process were complete. The MFA is ready to exchange instruments during FM Kalfin's December 19 meeting with Secretary Rice. They propose some (non-substantive and protocollary) tweaks to our draft protocol and would like to sign it in both English and Bulgarian. The GOB's draft and its translation are being e-mailed separately to EUR/NCE. Kalfin will bring the instruments of ratificiation with him to Washington.
- 13. (SBU) We also briefed Popova on the USG's likely response to the GOB's request to withdraw from two trade treaties and to amend one because Bulgaria's fear of conflict with EU's common trade policy (ref. B). We stressed our strong preference to keep the treaties and amend them, if necessary, highlighting that we've retained treaties with most of EU member states. Popova conceded that there may be no need to withdraw from the treaties, admitting that the Ministry of Economy, the lead agency on analyzing Bulgaria's treaty obligations in light of EU accession, has made similar mistakes in the past. She said the GOB was open to suggestions on amendments, and that MFA prefers to maintain treaties whenever possible. She looks forward to Washington's response to ref. B.
- 14. (SBU) Action request: We understand from ref. C. that the Department is actively working with NSC on getting the BIT instruments signed by the President in time for the Kalfin/Rice meeting. Please coordinate with the Bulgarian Embassy so that they are in sync with our choreography for the exchange. **BEYRLE**